

Pima County Small Business Commission
County Administration Building
130 W. Congress, 1st Floor
Thursday, October 21, 2010
3:00 P.M.

Members Present

Tom Ward
Ken Goodman
Lyra Done
Jerry Long
Dabney Philabaum
Joy Soler
Patricia Brown
Edie Lake

Others Present

Tom Moulton

Members Absent

Lea Marquez-Peterson
Pat Taviss

Call to Order- The meeting was called to order by Chairman Ward at 3:02 pm.

Pledge- Chairman Ward led the Pledge of Allegiance.

Approval of Minutes- Minutes from September 16 meeting were approved, unanimously.

Chairman's Report.

Proposition 107- As the Commission requested Chairman Ward wrote a memo to the Board of Supervisors opposing the Proposition. (Memo encl)

Ventana Medical Systems Center- Chairman Ward wrote a memo to the Board of Supervisors, expressing the Commission's support for the Roche Pharmaceutical Company at the new center with 500 employees. (Memo encl)

AZ Small Business – AZ SBC conducted a Pima County survey to see what the backing was for the ½ ¢ sales tax proposal, 69% were opposed 26% support, 5% no opinion. There was a high participation rate on this survey.

Commission appointment- the Commission is still waiting for an appointment to replace Jim Leader. Chairman Ward spoke to Supervisor Ann Day regarding her appointment. She will be selecting someone in the near future to complete the full eleven members. Lyra Done has a person she would like to nominate and will contact Pat Cavanaugh with the name.

Tom Moulton- Directors Report

Bond Committee- the Bond Advisory Committee will meet on November 18th to discuss when they will hold the Bond Election. There was discussion as to when the Bond Election will take place, the Pima County Department Directors have been asked to review the Bonds to see if there are any changes for the possible 2011 or 2012 election.

MTCVB – Hank Atha and Tom Moulton have been working with the BOS to draft performance measures to better monitor MTCVB. There will be more one-on-one meetings to monitor their spending (hand-out encl.) There will be more monthly meetings and closer monitoring by Pima County. The first quarter meeting is coming up.

The MTCVB budget was cut from \$11.5 million to \$6 million. The hotel Average Daily Rate (ADR) the daily rate to rent a room; has been reduced, causing a domino effect on the Bed Tax which is where the MTCVB budget comes from. An increase in occupancy does not reflect an increase in revenue because the ADR is lower. It appears it will take at least 2-3 years for the rates to go up.

The State budget has also gone down from \$18 million to \$5 million for advertising of the *entire* state. The advertising will be at a new all time low, we will not be seeing advertising for the Grand Canyon and other Arizona attractions.

The National advertising budget is also at an all time low, a fee is being imposed on people coming from outside the Country, they will see a \$10.00 increased fee that will go into a promotional fund to help promote the US abroad.

Neighborhood Stabilization Program- a new program has been established to help sell foreclosed homes. The program helps families get into foreclosed homes at a low mortgage rate, allows them to live in the home for one year and prove that they are good citizens and can make the payments. The program is funded by stimulus monies to help the economy. Pima County has \$22 million to buy and renovate foreclosed homes. If the thousands of foreclosed homes are empty no one is paying the water/sewer fees, or the property taxes. This all trickles down. It creates construction jobs, someone has to renovate the homes and make them available for sale. The monies are there for the next three years.

Proposed Economic Development Incentive Policies- Chairman Ward provided a chart with the memo re: the Local Incentives offered by six Pima County Economic Development competitors sent to the Commission. (memo encl). There are thirteen (13) types of incentives offered by the communities. The SBC is looking into the types of incentives offered by the competitors. Arizona has no cash incentives. Oregon for example does not give cash incentives, but the State give the monies to a non-profit authority who in turn gives it to the company. Colorado, Oregon and California all use this method.

Revolving Loan Funds- these methods are the most often used to distribute monies. Portland, Oregon and San Diego County use these funds. As these funds continue to grow they become self sufficient, as they are paid back, they are reused. Example of use; most often used in conjunction with SBA Loans. It was suggested to bring this issue to the Board of Supervisors to see if Pima County is interested in a Revolving Loan Funds Policy. Chairman Ward will draft a proposal for a Pima County Revolving Loan Fund.

National Bio-Signature Laboratory Clinical Annotation Facility- NBLCAF the County was approached by the Critical-Path Institute to develop a national bio-signature laboratory to work with the University of Arizona for diagnostic testing of new drugs. They have asked the County if the County will provide them with 4000 sq. ft, at the Abrams Building at the Kino Hospital Complex with little or no rent. Chairman Ward would like a vote to support the laboratory at the Abrams Building. They have made a commitment to increase their employees from 5 to approximately 20. They are interested in utilizing the JTED students. Ken Goodman would like to see someone come out and present to the SBC and explain how they are going to use the JTED Program. A vote was proposed to support the C-Path Program, motion was made; discussion was called. Has the U of A been asked to provide space on Campus? Motion was made by Chairman Ward, motion to support C-Path in its request to the County for 4000 sq. ft. at no or reduced rent for two years. The motion failed; three yes, three abstentions, 1 no. It was proposed that it will be discussed again at a later date when everyone is more informed about the subject.

OTHER COMMISSIONERS REPORTS

KEN GOODMAN-

CRSPS Update- Mr. Goodman gave a report on the CRSPS. Janice Burnett is the Executive Director of the American Council of Engineering Companies; has agreed to be part of the CRSPS. She is very well versed in all aspects of the engineering community. There will be more discussion at a later date.

Meeting adjourned at 4:55 PM